



## State Legislative Update for the Week of January 26 - 30, 2015

*Monday, January 26, 2015*

### **Senate Session**

Bill introductions of veterans interest:

#### **Senators Anderson, Brown, Gazelka, Dahms and Benson introduced:**

**SF 294:** A bill for an act relating to taxation; individual income; providing a phased-in subtraction for military retirement pay; amending Minnesota Statutes 2014, sections 290.01, subdivision 19b; 290.091, subdivision 2.

Referred to the Committee on Taxes.

#### **Senators Anderson, Brown, Pratt and Benson introduced:**

**SF 295:** A bill for an act relating to taxation; individual income; allowing a subtraction from taxable income for military retirees and survivors; repealing the credit for past military service; amending Minnesota Statutes 2014, sections 290.01, subdivision 19b; 290.091, subdivision 2; repealing Minnesota Statutes 2014, section 290.0677, subdivision 1a.

Referred to the Committee on Taxes.

#### **Senators Hawj, Reinert and Saxhaug introduced:**

**SF 297:** A bill for an act relating to elections; modifying provisions related to military and overseas voting; amending Minnesota Statutes 2014, sections 203B.01, subdivision 3; 203B.16, subdivisions 1, 2; 203B.17, subdivisions 1, 2; 204D.11, subdivision 4.

Referred to the Committee on Rules and Administration.

#### **Senators Reinert, Anderson, Benson, Rest and Housley introduced:**

**SF 308:** A bill for an act relating to the military; appropriating money for a grant to support activities related to the commissioning of the USS Minnesota.

Referred to the Committee on Finance.

#### **Senator Saxhaug introduced:**

**SF 338:** A bill for an act relating to state government; permitting a government entity to release certain military release forms to another government entity for a limited purpose; amending Minnesota Statutes 2014, section 196.08.

Referred to the Committee on State and Local Government.

**Senators Johnson, Saxhaug, Ruud and Anderson introduced:**

**SF 345:** A bill for an act relating to transportation; establishing purple heart designation on driver's licenses and Minnesota identification cards; providing for state park permits; amending Minnesota Statutes 2014, sections 85.053, by adding a subdivision; 171.07, by adding a subdivision.

Referred to the Committee on Transportation and Public Safety.

**House Session**

Bill introductions of veterans interest: None

**Committee Hearings**

Committee: House Veterans Affairs

Chair: Rep. Bob Dettmer

Agenda:

**HF 10** (Wills): Veterans jobs tax credit provided. This bill provides employers with a nonrefundable income tax credit for hiring qualified veterans. The credit equals ten percent of the wages paid to the veteran, and the maximum credit is \$3,000 for each disabled veteran hired, \$1,500 for each unemployed veteran hired, and \$500 for each other veteran hired. A disabled veteran is a veteran with a service connected disability rating from the USVA; an unemployed veteran is a veteran who has received unemployment compensation at any time within two years preceding the date of hire and who was unemployed when hired. Disallows the credit if the employer currently employs or has previously employed the veteran. The bill was referred to the House Committee on Taxes.

An overview of **MN Department of Veterans Affairs Health Care** division was provided by Mike McElhiney, Legislative Director; John Powers, Finance Director; and Robin Gaustad, Acting Deputy Commissioner of Veterans Health Care. The Veterans Homes Division provides a continuum of long-term care for its residents, with an emphasis on remembering and recognizing the service and sacrifices of all veterans. The five state Veterans Homes in Minnesota are located in Minneapolis, Hastings, Silver Bay, Luverne and Fergus Falls. These five homes manage medical care on a 24/7 basis through a combination of skilled nursing care beds, domiciliary (board and care), rehabilitation, recreational therapy, work therapy and dementia programs and Adult Day Care. The FY2014-2015 budget for Veterans Healthcare is \$211.9M and there are 1099 FTEs.

***Tuesday, January 27, 2015***

**Committee Hearings**

Committee: House Civil Law and Data Practices

Chair: Rep. Peggy Scott

Agenda:

**HF 260** (Lesch): Uniform Deployed Parents Custody and Visitation Act established and modified. This bill creates a chapter called the Uniform Deployed Parents Custody and Visitation Act. It provides procedures and new laws that govern how parties can enter

agreements for parenting and custody, including visitation with a non-parent and communication with a deployed parent, prior to and during the deployment of a parent who is in the armed services. The bill was moved and re-referred to the Committee on Veterans Affairs Division.

Committee: Senate State Department and Veterans Budget Division

Chair: Sen. Tom Saxhaug

Agenda:

Committee members took a tour of the Minneapolis Veterans Home and had lunch with the residents. No formal committee action was taken, but a brief overview of the history of MVH as well as an update of Phase 1, 2, and 3 construction projects was provided.

*Wednesday, January 28, 2015*

### **Committee Hearings**

Committee: Senate Tax Reform Division

Chair: Sen. Ann Rest

Agenda:

**SF 123** (Senjem): Income tax social security benefits phased in subtraction. This bill would allow a subtraction from federal taxable income of a percentage of Social Security benefits. For the taxable year beginning after December 31, 2014 and before January 1, 2016, the percentage is ten percent, and the percentage increases by ten percent each calendar year thereafter until the percentage of Social Security benefits allowed as a subtraction is 100 percent. The effective date would be for taxable years beginning after December 31, 2014. The bill, as amended, was laid over for further consideration for inclusion in the omnibus tax bill.

**SF 124** (Senjem): Income tax social security benefits phased in subtraction. This bill would allow a percentage of Social Security benefits as a subtraction from federal taxable income. The percentage in this bill equals 32 percent for taxable years beginning after December 31, 2014 and before January 1, 2017; 43 percent for taxable years beginning after December 31, 2016 and before January 1, 2018; 55 percent for taxable years beginning after December 31, 2017 and before January 1, 2019; 67 percent for taxable years beginning after December 31, 2018 and before January 1, 2020; 77 percent for taxable years beginning after December 31, 2019 and before January 1, 2021; 89 percent for taxable years beginning after December 31, 2020 and before January 1, 2022; and 100 percent for taxable years beginning after December 31, 2021. The effective date would be for taxable years beginning after December 31, 2014. The bill, as amended, was laid over for further consideration for inclusion in the omnibus tax bill.

**SF 254** (Ruud): Income tax social security benefits phased in subtraction. This bill would allow a subtraction from federal taxable income of a percentage of Social Security benefits. For the taxable year beginning after December 1, 2015 and before January 1, 2017, the percentage is 20 percent, and the percentage increases by 20 percent in each calendar year thereafter until the percentage of Social Security benefits allowed as a subtraction is 100 percent. This would be effective for taxable years beginning after

December 1, 2015. The bill, as amended, was laid over for further consideration for inclusion in the omnibus tax bill.

**SF 256** (Limmer): Income tax social security benefits phased in subtraction. This bill would allow a subtraction from federal taxable income of a percentage of Social Security benefits. The bill is identical to SF 123, and was laid over for further consideration for inclusion in the omnibus tax bill.

**SF 79** (Wiger): Veterans jobs income tax credit. This bill is the Senate companion to HF10 (Wills). The bill provides employers with a nonrefundable income tax credit for hiring qualified veterans. The credit equals ten percent of the wages paid to the veteran, and the maximum credit is \$3,000 for each disabled veteran hired, \$1,500 for each unemployed veteran hired, and \$500 for each other veteran hired. A disabled veteran is a veteran with a service connected disability rating from the USVA; an unemployed veteran is a veteran who has received unemployment compensation at any time within two years preceding the date of hire and who was unemployed when hired. Disallows the credit if the employer currently employs or has previously employed the veteran. The bill was laid over for further consideration for inclusion in the omnibus tax bill.

**SF 199** (Nelson): Veterans jobs income tax credit. The bill provides employers with a nonrefundable income tax credit for hiring qualified veterans. The credit equals ten percent of the wages paid to the veteran, and the maximum credit is \$3,000 for each disabled veteran hired, \$1,500 for each unemployed veteran hired, and \$500 for each 9-11 veteran hired. The effective date is for taxable years beginning after December 31, 2014.

The bill was laid over for further consideration for inclusion in the omnibus tax bill.

***Thursday, January 29, 2015***

### **Senate Session**

Bill introductions of veterans interest:

#### **Senators Saxhaug, Benson, Hoffman, Clausen and Carlson introduced:**

**SF 353:** A bill for an act relating to arts and cultural heritage; appropriating money for veterans programs.

Referred to the Committee on Finance.

#### **Senators Anderson and Brown introduced:**

**SF 356:** A bill for an act relating to veterans; modifying disabled veteran's credit and definition of disabled veteran for purposes of the veteran's preference; amending Minnesota Statutes 2014, section 197.455, subdivisions 5, 6.

Referred to the Committee on State and Local Government.

#### **Senators Anderson, Brown and Pratt introduced:**

**SF 357:** A bill for an act relating to veterans; property taxes; extending the market value exclusion for surviving spouses of deceased service members and permanently disabled veterans; amending Minnesota Statutes 2014, section 273.13, subdivision 34.

Referred to the Committee on Taxes.

**Senators Anderson, Wiger and Kiffmeyer introduced:**

**SF 362:** A bill for an act relating to veterans; designating the Honor and Remember Flag as an official symbol of the state's commitment to military service members who have lost their lives in service to our country; encouraging display of the flag on certain days in certain public locations; proposing coding for new law in Minnesota Statutes, chapter 197.

Referred to the Committee on State and Local Government.

**Senators Kiffmeyer, Ingebrigtsen, Saxhaug, Anderson and Sparks introduced:**

**SF 365:** A bill for an act relating to game and fish; exempting veterans from firearms safety certificate requirement; amending Minnesota Statutes 2014, section 97B.020; repealing Minnesota Statutes 2014, section 97B.015, subdivision 5a.

Referred to the Committee on Environment and Energy.

**Senators Ruud, Gazelka and Ortman introduced:**

**SF 422:** A bill for an act relating to taxation; individual income; providing a subtraction for military retirement pay; amending Minnesota Statutes 2014, sections 290.01, subdivision 19b; 290.091, subdivision 2.

Referred to the Committee on Taxes.

**Senator Saxhaug introduced:**

**SF 425:** A bill for an act relating to military and veterans affairs; appropriating money for military affairs and veterans affairs.

Referred to the Committee on Finance.

**Senator Saxhaug introduced:**

**SF 427:** A bill for an act relating to veterans; making technical changes to veterans trust; removing obsolete provisions; amending Minnesota Statutes 2014, section 197.133; repealing Minnesota Statutes 2014, sections 197.131; 197.132.

Referred to the Committee on State and Local Government.

Senate Concurrent Resolution No. 4 was adopted regarding committee deadlines for the 2015 session. The first deadline is Friday, March 20, 2015 at 11:59 p.m. (deadline for committees to act favorably on bills in the house of origin); the second deadline is Friday, March 27, 2015 at 11:59 p.m. (deadline for committees to act favorably on bills or companion bills that met the first deadline in the other house); and the third deadline, Friday, April 24, 2015 at 11:59 p.m., is for the House Committee on Ways and Means and the Senate Committee on Finance to act favorably on major appropriation and finance bills.

**House Session**

Bill introductions of veterans interest:

**O'Driscoll, Persell, Dettmer, Wills, Newton and Davids introduced:**

**HF 406:** A bill for an act relating to veterans; appropriating money to public safety for a grant for training community safety personnel about the use of de-escalation techniques. The bill was read for the first time and referred to the Veterans Affairs Division.

**Lohmer, Dettmer, McDonald, Sanders, Pugh and Koznick introduced:**

**HF 450:** A bill for an act relating to the military; establishing Military Spouses and Families Day; proposing coding for new law in Minnesota Statutes, chapter 10. The bill was read for the first time and referred to the Veterans Affairs Division.

**Hancock, Mahoney, Kahn, Lesch, Newton, Dettmer and Davids introduced:**

**HF 453:** A bill for an act relating to arts and cultural heritage; appropriating money for veterans programs.

The bill was read for the first time and referred to the Veterans Affairs Division.

The House adopted Senate Concurrent Resolution No. 4 regarding committee deadlines for the 2015 session.

### **Upcoming Committee Hearings of Veterans Interest Week of February 2 - 6, 2015**

#### **Monday, February 2, 2015**

Committee: House Veterans Affairs Division

Chair: Rep. Bob Dettmer

Room: 200 State Office Building

Time: 12:45 PM

Agenda:

**HF 137** (Dettmer): Military retirees and survivors allowed a subtraction from taxable income, and past military service credit repealed.

**HF 134** (Dettmer): Veteran trust technical changes made, and obsolete provisions removed.

**HF 283** (Kresha): Camp Ripley nearby lands designated as sentinel landscape, coordinating committee created, and report required.

Presentation from Kathy Vitalis, Minnesota Assistance Council for Veterans.